VZCZCXRO8343 PP RUEHAG RUEHBI RUEHCI RUEHDBU RUEHLH RUEHNEH RUEHPW RUEHROV RUEHSL DE RUEHAH #1353 2961400 ZNY CCCCC ZZH P 231400Z OCT 09 FM AMEMBASSY ASHGABAT TO RUEHC/SECSTATE WASHDC PRIORITY 3648 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUCNCIS/CIS COLLECTIVE RUCNMEM/EU MEMBER STATES COLLECTIVE RUEHAK/AMEMBASSY ANKARA 5807 RUEHBJ/AMEMBASSY BEIJING 3515 RUEHKO/AMEMBASSY TOKYO 3379 RUEHIT/AMCONSUL ISTANBUL 4049 RUEKJCS/JOINT STAFF WASHDC RUEAIIA/CIA WASHDC RUCPDOC/DEPT OF COMMERCE WASHDC RHEFDIA/DIA WASHDC RHEBAAA/DEPT OF ENERGY WASHDC RHEHNSC/NSC WASHDC RUEATRS/DEPT OF TREASURY WASHDC RUEKJCS/SECDEF WASHINGTON DC RUCNDT/USMISSION USUN NEW YORK 1209 RUEHVEN/USMISSION USOSCE 4020

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STATE FOR SCA/CEN; EEB; NEA/IR ENERGY FOR EKIMOFF/BURPOE/COHEN COMMERCE FOR EHOUSE

E.O. 12958: DECL: 10/23/2019
TAGS: <u>EPET ECON PGOV EINV BTIO TX</u>

SUBJECT: TURKMENISTAN: CHEVRON REPORTS SOME GOOD NEWS

Classified By: Charge Sylvia Reed Curran for reasons 1.4 (b) and (d).

- 11. (C) Chevron's representative in Ashgabat met with Charge on October 23 to convey some good news the company had received from the GOTX. Specifically, Chevron received a positive letter from Turkmenistan's state-owned gas company Turkmengas in response to Chevron's request to discuss its onshore proposals. Previously, the Chevron rep had shared his frustration with the Charge that Chevron's business proposals had gained little traction with the GOTX over the past two years, and the company's recent meeting with the Turkmen President in New York seemed to produce little (ref B).
- 12. (C) In the letter, the newly appointed head of Turkmengas Nury Muhamedov described Turkmengas's "sincere wish to establish a partnership and develop long-term, mutually beneficial cooperation between Turkmengas and Chevron. The Turkmengas head also penned his willingness to discuss "priority tasks in developing Turkmen gas resources" with the participation of Chevron. The Chevron rep opined that the letter represents a key turning point for Chevron, and he hoped that Turkmengas and Chevron would "finally get down to business," underscoring that Chevron was the first major, U.S. energy company to open an office in Ashgabat.
- 13. (C) Chevron's Vice President for Business Development accepted Turkmen President Berdimuhamedov's personal invitation to attend Turkmen Independence Day festivities in Ashgabat October 27-28 (ref B). The Chevron rep added that the Chevron VP has planned meetings with the Turkmen President, Deputy Chairman for Oil and Gas Hojamuhammedov, Head of the State Agency for the Management and Use of Hydrocarbon Resources Kakayev, Turkmengas Chairman Muhamedov, and newly appointed Minister of Oil and Gas Numuradov. The Chevron rep was grateful that Chevron had apparently gotten on the GOTX's short list of preferred

energy companies, but he also took the positive signals with caution, adding that Chevron had received positive signals from the GOTX in the past that did not result in striking a deal.

14. (C) COMMENT. Chevron's good news comes on the heels of other good news reported by ConocoPhillips this week (ref A). Although we cannot assume that the latest good news will result in concrete energy deals for U.S. companies, the recent GOTX overtures to ConocoPhillips and Chevron do not seem coincidental. It is possible that the Turkmen President's recent trip to the U.S. for the UN General Assembly meetings left a positive impression on the President, which in turn has resulted in more GOTX attention for U.S. companies. END COMMENT.